IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

VIATECH TECHNOLOGIES, INC.,	)	
	)	
Plaintiff,	)	**Case No. __________**
v.	)	
	)	
MICROSOFT CORPORATION,	)	**DEMAND FOR JURY TRIAL**
	)	
Defendant.	)	

COMPLAINT FOR PATENT INFRINGMENT

Plaintiff ViaTech Technologies, Inc. ("plaintiff" or "ViaTech"), through its attorneys, for its complaint against defendant Microsoft Corporation ("defendant" or "Microsoft"), alleges as follows:

THE PARTIES

1. Plaintiff is a corporation organized and existing under the laws of the State of Delaware having a place of business at 1136 Ashbourne Circle, Trinity, FL 34655-7103.

2. Defendant Microsoft is a corporation organized and existing under the laws of the State of Washington having its principal place of business at One Microsoft Way, Redmond, WA 98052.

JURISDICTION AND VENUE

3. This action arises under the patent laws of the United States, Title 35 of the United States Code. Subject matter jurisdiction is proper in this Court pursuant to 28 U.S.C. §§ 1331 and 1338(a).

4. Defendant Microsoft is subject to this Court's specific and general personal jurisdiction consistent with due process and the Delaware Long Arm Statute, 10 *Del. C.* § 3104.

5. Venue in this Judicial District is proper under 28 U.S.C. §§ 1391 and 1400(b).

6. Microsoft is registered to do business in Delaware, and has appointed Corporation Service Company, 2711 Centerville Rd., Suite 400, Wilmington, DE 19808, as its registered agent, and either directly, or indirectly through its distribution network, has transacted and/or continues to transact business in Delaware, and has regularly solicited and continues to regularly solicit business in Delaware.

7. Microsoft has also engaged in substantial activity within the State of Delaware and derives substantial revenue from goods or services provided to individuals in Delaware. Microsoft owns and operates a Microsoft Store located within this Judicial District at 137 Christiana Mall, Newark, DE 19702, that offers for sale, and sells, Microsoft software products and devices to customers within the state of Delaware, and offers technical support to customers within this Judicial District purchasing its software products and devices.

8. In a partnership with the Best Buy retail store chain, Microsoft also operates The Windows Store, located within this Judicial District at 4807 Concord Pike, Wilmington, DE 19803, that offers for sale, and sells, Microsoft software products and devices to customers within the state of Delaware, and offers technical support to Microsoft customers within this Judicial District purchasing its software products and devices.

9. Microsoft also owns and operates its online Microsoft Store, which also offers for sale, and sells, Microsoft software products and devices, and the digital content of content providers, to customers within this Judicial District, and offers technical support to Microsoft customers within this Judicial District purchasing digital content, and Microsoft software products, and devices.

10. Microsoft has also committed infringing acts within the State of Delaware, and

the causes of action set forth in this Complaint arise from those acts. As an example, Microsoft offers to sell and sells, directly or through its retail stores and distribution network in Delaware, including Best Buy, Walmart, and Staples retail stores, digital content and software applications incorporating Microsoft's "PlayReady" digital rights management (DRM) software, and devices such as personal computers, mobile and tablet devices, and gaming consoles incorporating PlayReady DRM software. PlayReady DRM software is native to various Microsoft software applications and devices, including Microsoft Windows operating system software ("Windows"), Microsoft Windows Phone operating system software ("Windows Phone"), Microsoft Silverlight software ("Silverlight"), and Microsoft Xbox 360 and Xbox One consoles and operating system software ("Xbox"). Microsoft Windows, Windows Phone, Silverlight, and Xbox software, devices running Microsoft Windows, Windows Phone, Silverlight, and Xbox software, and digital content incorporating PlayReady DRM software for use with Microsoft Windows, Windows Phone, Silverlight, and Xbox software and devices, are offered for sale and sold (directly or through Microsoft's retail stores and distribution network), are purchased and used by Microsoft customers and end users of the software, devices, and digital content, in this Judicial District, and infringe the patent asserted in this action.

11. Microsoft also offers to sell and sells, in this Judicial District, PlayReady DRM software development kits (SDKs), application development kits (ADKs), server development kits, and device porting kits for developing, for example, PlayReady DRM Windows Store, Windows Phone, Xbox, Apple iOS ("iOS") and Google Android ("Android") digital content and software applications, PlayReady DRM servers, and PlayReady DRM devices such as smart TVs, set-top boxes, kiosks, and mobile devices, incorporating PlayReady DRM software, which also infringe the patent asserted in this action.

COUNT ONE – INFRINGEMENT OF U.S. PATENT NO. 6,920,567

ViaTech's Patented Technology

12. ViaTech applied for its U.S. Patent No. 6,920,567, entitled "System and Embedded License Control Mechanism for the Creation and Distribution of Digital Content Files and Enforcement of Licensed Use of the Digital Content Files" ("the '567 patent," attached as Exhibit A) in April of 2000, and the patent was duly and legally issued by the United States Patent and Trademark Office July 19, 2005. ViaTech is the owner by assignment of all rights, title, and interest in and to the '567 patent, including the right to sue for past infringement.

13. ViaTech's patented technology relates to methods and systems for controlling the use of files containing digital content, such as computer programs and data and digitally formatted audio and image information, and, more specifically, for a system and license control mechanism for use in creating and distributing files containing digital content and for enforcing the licensed use of digital content files.

14. Claims 8, 9, 10, and 11 of the '567 patent describe a digital content file including a license control mechanism for controlling the licensed use of digital content wherein the digital content of the digital content file comprises digital, media, music, or video data, and read as follows:

> 8. The digital content file including a license control mechanism for controlling the licensed use of digital content of claim 1 [comprising: a digital content, and an embedded file access control mechanism embedded in the digital content file, including a license functions mechanism embedded in the digital content file and including a license monitor and control mechanism communicating with a dynamic license database and monitoring use of the digital content by a user to determine whether a use of the digital content by a user compiles with the license defined in the dynamic license database, and a license control utility providing communications between a user system and an external system to communicate license definition information between the user system and the

> external system, including a graphical user interface associated with the license control utility to provide communication between a user and user accessible functions of the license functions mechanism, and the dynamic license database wherein the dynamic license database is associated with the digital content file for storing information controlling operations of the file access control mechanism and license information controlling licensed use of the digital content], wherein the digital content of the digital content file comprises: digital data.
>
> 9. The digital content file including a license control mechanism for controlling the licensed use of digital content of claim 8, wherein the digital content of the digital content file comprises: media data.
>
> 10. The digital content file including a license control mechanism for controlling the licensed use of digital content of claim 9, wherein the digital content of the digital content file comprises: music data.
>
> 11. The digital content file including a license control mechanism for controlling the licensed use of digital content of claim 9 wherein the digital content of the digital content file comprises: video data.

15. Claims 26 and 27 of the ’567 patent describe a method for accessing the digital content of a digital content file in a user system wherein the digital content file and the digital content includes data, and read as follows:

> 26. A method for accessing the digital content of a digital content file in a user system wherein the digital content file wherein the digital content includes data contained in an encrypted digital content file and the digital content file includes an embedded file access control mechanism including a decrypting mechanism, comprising the steps of: in the file access control mechanism, intercepting an attempt to access the digital content and validating licensed access of the digital content by, determining whether a dynamic license database associated with the file access control mechanism contains license information defining a license controlling user of the digital contents, when the dynamic license database contains information defining a license controlling use of the digital content, decrypting encrypted product information contained in the encrypted digital content file and determining whether the user system complies with a license defined by license information contained in the dynamic license database, and when

> the user system complies with a license defined by license information contained in the dynamic license database, decrypting the digital contents from the encrypted digital content file and providing the digital contents to the user system.
>
> 27. The method for accessing the digital content of a digital content file in a user system of claim 26, wherein: an application in the user system is designated to access at least one designated type of digital content file, and the file access control mechanism includes a monitor to intercept attempts to open digital content files of the at least one designated type by the application and to invoke the file access control mechanism to execute the steps for validating licensed access of the digital content.

Microsoft's Knowledge of the '567 Patent and its Infringement

16. Microsoft became aware of the '567 patent, the subject matter of the patent, and the inventions claimed in the patent, at least as early as September of 2005, shortly after ViaTech's '567 patent was granted, during the prosecution of Microsoft's U.S. Patent No. 7,366,915 ("the '915 patent," applied for in April of 2002 and granted in April of 2008), which describes and claims digital licensing methods and systems. The '567 patent was cited as prior art during prosecution of the patent application filed by Microsoft that led to the '915 patent, and in a response to a December 12, 2005 Office Action, Microsoft attorneys explained their understanding of the '567 patent, and its claimed subject matter, in extensive detail. As an example, in that response, Microsoft attorneys discussed the digital content file, license control mechanism, license control utility, and dynamic license database functions of the digital content file and methods described and claimed in the '567 patent, noting that:

> The ['567 patent] discloses in great detail a system for rendering content according to a license. In particular, in the Doherty system, the content is placed within a digital content file that includes a license control mechanism controlling the licensed use of the content.

And also noting that:

> The digital content file also includes a license database that can store one or more licenses for rendering the content. The license control mechanism communicates with the license database and controls use of the digital content, and has a utility that allows for communicating between a user system and an external system to communicate license definition information. Thus, such license definition information may be stored initially in the license database when the digital content file is initially received, or if not present as initially received may be acquired from the external system. Upon such acquisition, such a license is stored in such database.

17. ViaTech's '567 patent was also cited as prior art to Microsoft's attorneys during the prosecution of other Microsoft patents, for example, its U.S. Patent No. 7,644,442, which describes and claims a "method, system and computer-readable medium for deterring software piracy," and its U.S. Patent No. 8,224,750, which describes and claims "a method and a system for changing license rights to a software product installed on a computer."

18. Microsoft attorneys themselves also cited ViaTech's '567 patent as relevant prior art in connection with the prosecution of numerous other Microsoft patents, for example, U.S. Patent Nos. 7,873,578, 7,552,341, 7,849,329, 8,181,265, 7,716,476, 8,117,094, 8,336,085, 8,464,348, 8,176,564, 8,353,046, 8,347,078, 8,781,969, 8,725,646, 8,719,171, and 8,700,535, all of which relate to anti-piracy licensing systems and methods.

19. Independently, at various times from 2011 through 2013, ViaTech representatives corresponded with Microsoft regarding the '567 patent, noting in their correspondence that the patent was, in their judgment, highly relevant to Microsoft's business and fundamental to digital rights management.

20. ViaTech itself also provided notice of its patent by including the '567 patent number on its website through which it conducts business.

21. Microsoft also became aware of the '567 patent, the subject matter of the patent, and the inventions claimed through ViaTech's co-pending litigation for infringement of the '567

patent filed in this court September 24, 2014.

Microsoft's Infringing PlayReady Software

22. Microsoft's PlayReady DRM software protects distributed digital content downloaded to end user devices and systems, for example, Windows, Windows Phone, Silverlight, Xbox, iOS, Android, and smart TV devices and systems. *See, e.g., Microsoft PlayReady Content Protection Technology* White Paper, attached as Exhibit B, at 4 ("PlayReady supports essentially any type of content, including movies, live TV, music, games, ringtones and images . . . ."), 7–9 ("The device porting kit is typically used for devices such as set-top boxes, smart TVs, kiosks, and mobile devices . . . If you are creating an Android app, you can use the PlayReady Client SDK for Android . . . If you are creating an iOS app, you can use the PlayReady Client SDK for iOS . . . For Windows 8, you can use the PlayReady SDK for Windows Store Apps . . . On other Windows platforms, PlayReady functionality is available via Silverlight. Alternately, you can develop a web browser-based client . . . ."); *Microsoft PlayReady Developing PlayReady Clients* White Paper, attached as Exhibit C, at 3–4 ("The following diagram identifies the primary components of the PlayReady product suite.

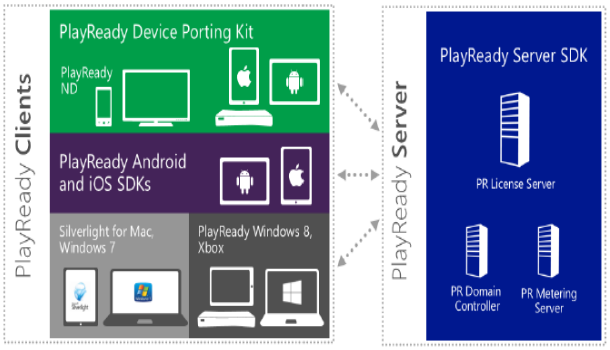

PlayReady Clients
PlayReady Device Porting Kit
PlayReady ND
PlayReady Android and iOS SDKs
Silverlight for Mac, Windows 7
PlayReady Windows 8, Xbox
PlayReady Server
PlayReady Server SDK
PR License Server
PR Domain Controller
PR Metering Server

Figure 2 – The PlayReady Product Suite

. . . ."), 13–14 ("The following Microsoft platforms provide native support for PlayReady: Windows 7 and later Windows Phone, all versions Xbox One and Xbox 360®.").

23. Content and client application and device providers (including Microsoft,

Microsoft PlayReady device, server, and service licensees, and Microsoft PlayReady technology partners) incorporate PlayReady DRM software into digital content, client applications, and client devices to control access to and licensed use of digital content, and distribute the digital content, applications, and devices to end users. PlayReady server software encrypts the digital content. A PlayReady DRM software header object is added to the digital content file and includes embedded license rights and policies that control how, and under what conditions, the digital content of the content file may be accessed and used by a user. A symmetric cryptographic key is included in the content license to enable decryption of the digital content by client applications and devices. *See, e.g.*, Microsoft *PlayReady Content Protection Technology*, Exhibit B, White Paper at 4–5 (emphasis in original) ("PlayReady secures content by encrypting data files. These encrypted files may be moved, archived, streamed, copied, or distributed without restrictions. In order to decrypt these data files, a digital *key* is required. This key is contained within a *license*. Each license also contains rights and policies that specify how the files may be used, and under what conditions.

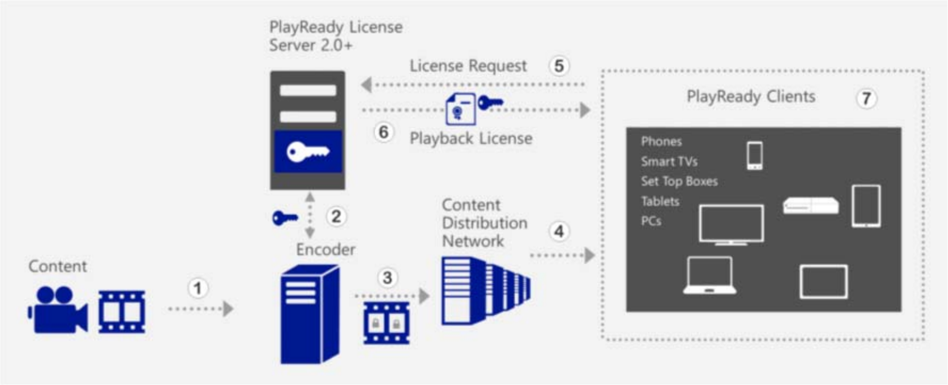
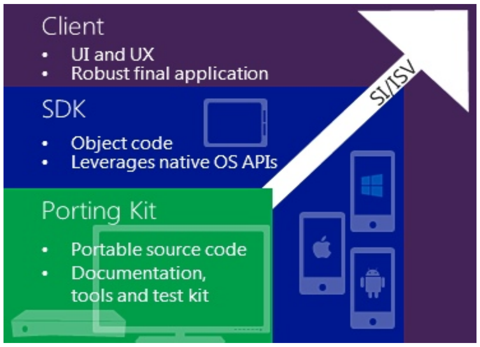

PlayReady License
Server 2.0+
License Request
5
6
Playback License
PlayReady Clients
7
Phones
Smart TVs
Set Top Boxes
Tablets
PCs
2
Encoder
Content
Distribution
Network
4
Content
1
3

Figure 1 - Content Consumption Model"); *Microsoft PlayReady Developing PlayReady Clients* White Paper, Exhibit C, at 6–9 ("The license server . . . [e]ncrypts the license by using the client device's public key. Using the device's public key to encrypt the license both protects license

data and ensures that the license applies to only that device. . . . The client receives the license and decrypts it by using the private key from the key pair that is unique to the client device (*device private key*). The client then uses the license to securely decrypt and play back the media file in accordance with the policies specified in the license. . . . The PlayReady header object is a placeholder to store PlayReady rights management header that enables PlayReady clients to acquire a license for and decrypt the content in a media file. It can also store an embedded license directly in a media file. The header is added to and subsequently stored in a media file or, for streaming content, a media manifest file when the file is packaged for distribution. Each PlayReady rights management header contains a standard set of metadata about a license. This includes a *key ID* that identifies the content key, the type of encryption used to encrypt the file, the URL for the applicable license acquisition service (*LAURL*), and any custom attributes that a content provider chooses to define. . . . [A] PlayReady client finds and extracts the PlayReady rights management header from a media or media manifest file when it begins parsing the file. The client then processes the header data to acquire a license for and ultimately decrypt the content with the content key in the acquired license."); *Microsoft PlayReady Client Options*, https://www.microsoft.com/playready/features/ClientOptions.aspx ("Microsoft PlayReady is the proven technology securing Windows, Windows Phone, and Xbox and a wide range of consumer electronics.



. . . Final product (from Microsoft PlayReady standpoint), that is an application implementing UI, UX and is fully robust. E.g. Application using a PlayReady Client SDK for Windows.”).

24. PlayReady DRM software licenses for distributed digital content are stored in an “embedded license store” of the PlayReady header object of the digital content file to be protected. The licenses are modifiable in order to support multiple forms of licensing, including subscription and purchase business models. *See, e.g.*, *Microsoft PlayReady Content Protection Technology* White Paper, Exhibit B, at 4–5 (“The license can be embedded in the content . . . .”), 6 (“The license issuer can specify the length of time for which a license is valid, thus ensuring that access to the content expires when the subscriber cancels their subscription. While the subscription is active, the licenses are renewed prior to expiration so that the user enjoys uninterrupted playback . . . .”); *Microsoft PlayReady Developing PlayReady Clients* White Paper, Exhibit C, at 10–11 (“Embedded license[:] A license that is acquired and subsequently stored in the PlayReady header of a media file. Because the license is stored or ‘embedded’ in the media file, instead of being issued and stored separately, it’s immediately available. This can facilitate user scenarios such as moving content from one device to another, backing up content, and playing back content with a device that is offline. In addition, an embedded license can be bound to a domain certificate, which allows the media file to be played by other devices that are members of the same PlayReady domain.”); *Microsoft PlayReady Header Object* White Paper, attached as Exhibit D, at 3–4 (“The rights management header is used for a client to locate or acquire a license for the piece of content it is stored in.”); *Microsoft Developer Network, Digital Rights Management (DRM), Silverlight*, https://msdn.microsoft.com/en-us/library/cc838192(VS.95).aspx (“If any licenses need to be updated, you can add logic to attempt to connect to the licensing server and make necessary updates, prompt the user for

payment, and so on."); *Microsoft PlayReady Header Object* White Paper, Exhibit D, at 12 ("The content may be used in a context of PlayReady domains with embedded licenses. This allows a PlayReady client to further embed a domain-bound license in the PlayReady Header Object by simply populating the existing embedded license store, and saves the effort of having to re-header the entire file with a new PlayReady Header Object of a larger size than that of the initial one.").

Microsoft's Infringing Conduct

25. Microsoft makes, uses, distributes, sells, and offers to sell, in the United States, Microsoft PlayReady DRM software, as well as software applications, web applications, client devices, and digital content, incorporating PlayReady DRM software, and PlayReady DRM server development kits, software development kits, application development kits, and device porting kits, for developing software applications, web applications, client devices, and digital content, incorporating PlayReady DRM software, in a manner that infringes one or more claims of the '567 patent.

26. Microsoft has induced, and is now inducing, the infringement of at least claims 8–11 and 26–27 of the '567 patent by making, using, distributing, selling, and offering to sell PlayReady DRM software, as well as software applications, web applications, client devices, and digital content incorporating PlayReady DRM software, to content, client application, and device providers (including Microsoft PlayReady device, server, and service licensees and Microsoft PlayReady technology partners), and third-party software developers and end users of software applications, web applications, digital content, and client devices incorporating PlayReady DRM software, the use of which by at least end users directly infringes at least claims 8–11 and 26–27 of the '567 patent. For example, Microsoft sells, distributes, and licenses PlayReady DRM software natively incorporated into its Windows software to original equipment manufacturer

(OEM) system builders that install that software on personal computers, embedded systems, and other electronic devices that the system builders then sell to end-user customers. Microsoft also sells, distributes, and licenses PlayReady DRM software natively incorporated into its Windows software to original equipment manufacturers (OEMs) such as Acer, ASUS, Dell, Fujitsu, HTC, LG, Nokia, Samsung, and Toshiba that install that software on personal computers and other devices and then sell those computers and devices to end-user customers. In addition, Microsoft sells, distributes, and licenses PlayReady DRM software natively incorporated into its Windows software to certified Microsoft solution integrator, independent software vendor, web agency, and developer partners that install and activate Windows software for end-user customers, and to authorized resellers of Windows software such as Best Buy, Walmart, Micro Center Computers & Electronics, Staples, and Office Depot/Office Max. Microsoft also sells, distributes, and licenses its PlayReady DRM software to content and device providers such as Netflix, Comcast, Hulu, Amazon, Roku, LG, Philips, Toshiba, Panasonic and Samsung that incorporate PlayReady DRM software in digital content and devices and then sell that content and those devices to end user customers.

27. Microsoft also has induced, and is now inducing, the infringement of at least claims 8–11 and 26–27 of the ’567 patent by making, using, distributing, selling, and offering to sell PlayReady server development kits, software development kits, application development kits, and device porting kits, to content, client application, and device providers (including Microsoft PlayReady device, server, and service licensees and Microsoft PlayReady technology partners), and third-party software developers and end users of servers, software applications, web applications, digital content, and client devices incorporating PlayReady DRM software, for the development of software applications, web applications, client devices, and digital

content incorporating PlayReady DRM software, the use of which by at least such end users directly infringes at least claims 8–11 and 26–27 of the ’567 patent.

28. Microsoft has encouraged and instructed, and is encouraging and instructing, content, client application, and device providers (including Microsoft PlayReady device, server, and service licensees and Microsoft PlayReady technology partners), and third-party software developers and end users of software applications, web applications, digital content, and client devices incorporating PlayReady DRM software, who are not licensed by plaintiff, to use PlayReady DRM software in software applications, web applications, digital content, servers, and client devices to control access to and the licensed use of digital content, with the knowledge that the induced acts constitute direct infringement by at least such end users of at least claims 8–11 and 26–27 of the ’567 patent. Microsoft promotional materials, for example, instruct digital content, client application, and device providers (including Microsoft PlayReady device, server, and service licensees and Microsoft PlayReady technology partners), and third-party software and device developers how to incorporate and use PlayReady DRM software in software applications, web applications, digital content, servers, and client devices to control access to and licensed use of digital content, in a manner that infringes at least 8–11 and 26–27 of the ’567 patent. *See, e.g.*, http://technet.microsoft.com; http://support.microsoft.com; https://www.microsoft.com/playready/; https://www.microsoft.com/playready/documents/; and https://www.microsoft.com/playready/licensing/compliance/. As another example, Microsoft distributes music and video digital content incorporating PlayReady DRM software to end users of Windows, Windows Phone, Silverlight, Xbox, iOS, and Android devices through its Groove Music (formerly known as Xbox Music) and Movies & TV (formerly known as Xbox Video) applications. The Groove Music and Movies & TV applications, and Microsoft’s Edge web

browser application, also incorporate PlayReady DRM software, and Microsoft encourages and instructs end users of such devices how to access the content using its Groove Music and Movies & TV applications and Edge web browser application. *See*, *e.g.*, https://www.microsoft.com/en-us/store/music; https://www.microsoft.com/en-us/store/movies-and-tv; https://music.microsoft.com/; https://www.microsoft.com/en-us/movies-and-tv; https://answers.microsoft.com/en-us/musicandvideo/forum/xboxmusic/groove-music-cant-play-0xc00d0fcf-0x80070020/b141be1c-f6c9-43a7-a606-17de5166eb1e ("We saw that you were having trouble with the Groove app. Hope this info helps. This issue is caused by a corruption in the PlayReady DRM store, so could be impacting content you've downloaded to your device with a Groove Music Pass."); https://blogs.windows.com/windowsexperience/2016/07/13/get-better-quality-video-with-microsoft-edge/ ("When it comes to video, the closer to the hardware, the better. From video hardware acceleration to PlayReady Content Protection and the Protected Media Path, Windows 10 is designed to provide the highest quality, most secure, and most power-efficient video playback available on any version of Windows. Microsoft Edge has been engineered to optimize for and take advantage of these Windows 10 built-in media capabilities, providing the best video experience of any browser on Windows 10 based on our data and testing. So go ahead, binge watch your favorite shows on Microsoft Edge!").

29. Microsoft possesses specific intent to encourage infringement. Microsoft has control over the design and manufacture of its PlayReady DRM software, and possesses specific intent to cause infringement by the use of its PlayReady DRM software to control access to the digital content.

30. Microsoft also has contributed to and is now contributing to the infringement of at least claims 8–11 and 26–27 of the '567 patent by selling and offering to sell, within the United

States, digital content incorporating PlayReady DRM software and PlayReady DRM header object embedded license stores, as well as PlayReady DRM software for developing and using digital content incorporating PlayReady header object embedded license stores, to content, client application, and device providers (including Microsoft PlayReady device, server, and service licensees and Microsoft PlayReady technology partners), and third-party software developers and end users of software applications, web applications, digital content, and client devices incorporating PlayReady DRM software. Digital content incorporating PlayReady header object embedded license stores is a material part of the claimed inventions of the ’567 patent, and Microsoft has knowledge that such digital content is especially made and adapted for use in infringing at least claims 8–11 and 26–27 of the ’567 patent.

31. There are also no substantial non-infringing uses for PlayReady header object embedded license stores, other than to control access to and licensed use of digital content according to license terms and policies stored in such header object embedded license stores, and infringe at least claims 8–11 and 26–27 of the ’567 patent.

Infringement of Claims 8, 9, 10, and 11 of the ’567 Patent

32. The table below illustrates the infringement of claims 8, 9, 10, and 11 of the ’567 patent by Microsoft, and by Microsoft’s PlayReady DRM software, as well as by software applications, web applications, digital content, and devices incorporating PlayReady DRM software:

’567 Patent, Claims 8, 9, 10, 11	Microsoft PlayReady DRM Software
8. [A] The digital content file including a license control mechanism for controlling the licensed use of digital content of claim 1, [1. A digital content file including a license control mechanism for controlling the licensed use of digital content,	*See, e.g., generally* paras. 22–31 above. Microsoft sells and offers to sell digital content, as well as client applications and client devices, incorporating PlayReady DRM software for controlling access to

comprising:	and the licensed use of digital content. Microsoft also sells and offers to sell PlayReady DRM software for developing digital content, as well as client applications and client devices, incorporating PlayReady DRM software for controlling access to and the licensed use of digital content. As examples, Microsoft offers to sell and sells digital content, client applications, and client devices incorporating PlayReady DRM software, including • Microsoft Edge, Groove Music, and Movies & TV applications, and digital music and video content for use with Groove Music and Movies & TV applications, incorporating PlayReady DRM software; and • Xbox consoles, Lumia mobile phones, and Surface personal computers and tablets including Microsoft Edge, Groove Music, and Movies & TV applications, and digital music and video content for Xbox consoles, Lumia mobile phones, and Surface personal computers and tablets, incorporating PlayReady DRM software. As additional examples, Microsoft offers to sell and sells PlayReady DRM software for developing digital content, as well as client applications and client devices incorporating PlayReady DRM software, including • PlayReady Server SDKs; • Silverlight SDKs for Windows and MacOS X; • Microsoft PlayReady Client SDKs for

	Windows Store apps; • Microsoft Windows Phone SDKs; • Microsoft Xbox ADKs (Xbox 360 and Xbox One); • Microsoft PlayReady Client SDKs for Android; • Microsoft PlayReady Client SDKs for iOS; and • Microsoft PlayReady Device Porting Kits for developing smart TVs, set-top boxes, kiosks, and mobile devices.
[B] a digital content, and	*See, e.g.,* para. 22 above. PlayReady DRM software supports essentially any type of digital content, including movies, live TV, music, games, ringtones, and images.
[C] an embedded file access control mechanism embedded in the digital content file, including a license functions mechanism embedded in the digital content file and including a license monitor and control mechanism communicating with a dynamic license database and monitoring use of the digital content by a user to determine whether a use of the digital content by a user compiles with the license defined in the dynamic license database, and a license control utility providing communications between a user system and an external system to communicate license definition information between the user system and the external system, including a graphical user interface associated with the license control utility to provide communication between a user and user accessible functions of the license functions mechanism, and the dynamic license	*See, e.g.,* paras. 23–24 above. Digital content files offered for sale and sold by Microsoft and Microsoft licensees, and used by purchasers and end users of digital content, client applications, and client devices incorporating PlayReady DRM software, include a header object rights management header for storing an embedded license directly in the digital content file. A PlayReady client finds and extracts the PlayReady rights management header from the file, then processes the header data to decrypt the content with the content key in the license and control access to the content according to the terms of the license. The licenses are embedded in the digital

database wherein the dynamic license database is associated with the digital content file for storing information controlling operations of the file access control mechanism and license information controlling licensed use of the digital content]	content before distribution and can be modified through PlayReady DRM client software components, for example, by adding a PlayReady domain license to the header.
[D] wherein the digital content of the digital content file comprises: digital data.	*See* claim element 8[B] above.
9. [E] The digital content file including a license control mechanism for controlling the licensed use of digital content of claim 8, wherein the digital content of the digital content file comprises: media data. 10. [F] The digital content file including a license control mechanism for controlling the licensed use of digital content of claim 9, wherein the digital content of the digital content file comprises: music data. 11. [G] The digital content file including a license control mechanism for controlling the licensed use of digital content of claim 9 wherein the digital content of the digital content file comprises: video data.	*See* claim element 8[B] above.

Infringement of Claims 26 and 27 of the ’567 Patent

33. The table below illustrates the infringement of claims 26 and 27 of the ’567 patent by Microsoft, and by Microsoft’s PlayReady DRM software, as well as by software applications, web applications, digital content, and devices incorporating PlayReady DRM software:

’567 Patent, Claims 26, 27	Microsoft PlayReady DRM Software
26. [A] A method for accessing the digital content of a digital content file in a user system wherein the digital content file wherein the digital content includes data contained in an encrypted digital content file and the digital content file includes an embedded file access control mechanism	*See, e.g.*, generally paras. 22–31 above. Microsoft sells and offers to sell digital content, as well as client applications and client devices, incorporating PlayReady DRM software for controlling access to and the licensed use of digital content.

including a decrypting mechanism, comprising the steps of:	Microsoft also sells and offers to sell PlayReady DRM software for developing digital content, as well as client applications and client devices, incorporating PlayReady DRM software for controlling access to and the licensed use of digital content. As examples, Microsoft offers to sell and sells digital content, client applications, and client devices incorporating PlayReady DRM software, including • Microsoft Edge, Groove Music and Movies & TV applications, and digital music and video content for use with Groove Music and Movies & TV applications, incorporating PlayReady DRM software; and • Xbox consoles, Lumia mobile phones, and Surface personal computers and tablets including Microsoft Groove Music and Movies & TV applications, and digital music and video content for Xbox consoles, Lumia mobile phones, and Surface personal computers and tablets, incorporating PlayReady DRM software. As additional examples, Microsoft offers to sell and sells PlayReady DRM software for developing digital content, as well as client applications and client devices incorporating PlayReady DRM software, including • PlayReady Server SDKs; • Silverlight SDKs for Windows and MacOS X; • Microsoft PlayReady Client SDKs for Windows Store apps;

	• Microsoft Windows Phone SDKs; • Microsoft Xbox ADKs (Xbox 360 and Xbox One); • Microsoft PlayReady Client SDKs for Android; • Microsoft PlayReady Client SDKs for iOS; and • Microsoft PlayReady Device Porting Kits for developing smart TVs, set-top boxes, kiosks, and mobile devices. PlayReady DRM software secures digital content by encrypting data files. A PlayReady software header object stores a rights management header that includes an embedded license and contains a standard set of metadata about the license, including a key ID that identifies the content key, the type of encryption used to encrypt the file, information for license acquisition, and custom attributes of the content, and enables PlayReady clients to decrypt the content of the file.
[B] in the file access control mechanism, intercepting an attempt to access the digital content and validating licensed access of the digital content by, determining whether a dynamic license database associated with the file access control mechanism contains license information defining a license controlling user [sic] of the digital contents,	*See, e.g.*, paras. 22–24 above. A PlayReady client application or device finds and extracts the PlayReady rights management header of a digital content file incorporating PlayReady DRM software and then processes the header data to acquire a license for and ultimately decrypt the content with the content key in the acquired license and control access to the content according to the terms of the license. When a user attempts to play back protected content offline, license validation also occurs offline. Licenses may be updated by

	communicating with a remote licensing server. PlayReady headers with embedded licenses can be further embedded with a domain-bound license by a PlayReady client.
[C] when the dynamic license database contains information defining a license controlling use of the digital content, decrypting encrypted product information contained in the encrypted digital content file and determining whether the user system complies with a license defined by license information contained in the dynamic license database, and	*See* claim element 26[B] above.
[D] when the user system complies with a license defined by license information contained in the dynamic license database, decrypting the digital contents from the encrypted digital content file and providing the digital contents to the user system.	*See* claim element 26[B] above.
27. [E] The method for accessing the digital content of a digital content file in a user system of claim 26, wherein: an application in the user system is designated to access at least one designated type of digital content file, and the file access control mechanism includes a monitor to intercept attempts to open digital content files of the at least one designated type by the application and to invoke the file access control mechanism to execute the steps for validating licensed access of the digital content.	*See* claim element 26[B] above.

Microsoft's Willful Infringement

34. Microsoft has willfully infringed and is willfully infringing the '567 patent. Microsoft announced the availability of its PlayReady DRM software in February of 2007, at

least more than a year after it became aware that ViaTech's '567 patent described and claimed "a system for rendering content according to a license" in which "the content is placed within a digital content file that includes a license control mechanism controlling the licensed use of the content" and that "[t]he digital content file also includes a license database that can store one or more licenses for rendering the content." Nevertheless, despite its knowledge of the '567 patent, the inventions claimed in that patent, the scope of its claims, and the use of the inventions claimed in the '567 patent in its Microsoft PlayReady DRM software, as well as software applications, web applications, digital content, servers, and client devices incorporating PlayReady DRM software, as, for example, set forth in paragraphs 12–33 above, Microsoft nevertheless has never requested the U.S. Patent and Trademark Office to review the patentability of the '567 patent claims, and instead offered for sale and sold, and continues to offer for sale and sell, its Microsoft PlayReady DRM software, software applications, web applications, client devices, and digital content incorporating PlayReady DRM software, and PlayReady server development kits, software development kits, application development kits, and device porting kits, for the development of software applications, web applications, client devices, and digital content incorporating PlayReady DRM software, knowing that PlayReady DRM software, and software applications, web applications, digital content, servers, and client devices incorporating PlayReady DRM software, use, and are developed using, the inventions described and claimed in plaintiff's '567 patent, and that plaintiff's '567 patent is valid.

35. Microsoft's infringement has been and is deliberate, wanton, and egregious, in reckless disregard of the validity and its infringement of the '567 patent, and of the infringement of the '567 patent by PlayReady DRM software, as well as by software applications, web applications, digital content, servers, and client devices incorporating PlayReady DRM software,

by Microsoft PlayReady device, server, and service licensees and Microsoft PlayReady technology partners, and by third-party software developers and end users of software applications, web applications, digital content, servers, and client devices incorporating PlayReady DRM software.

PRAYER FOR RELIEF

36. As a result of Microsoft's acts of infringement, plaintiff has suffered and will continue to suffer damages in an amount to be proven at trial, unless enjoined by the court.

37. WHEREFORE, plaintiff prays for the following relief:

A. A judgment in favor of plaintiff that defendant has infringed the '567 patent, directly, and/or indirectly by way of inducement or contributory infringement;

B. A preliminary and permanent injunction against Microsoft, its respective officers, agents, servants, employees, attorneys, parent and subsidiary corporations, assigns and successors in interest, and those persons in active concert or participation with them, enjoining them from infringement, inducement of infringement, and contributory infringement of the '567 patent, including but not limited to an injunction against making, using, selling, and/or offering for sale within the United States, and importing into the United States, any products and/or services that infringe the '567 patent;

C. An award to plaintiff of damages pursuant to at least 35 U.S.C. § 284 for defendant's infringement and any continuing or future infringement, including both compensatory damages and treble damages for defendant's willful infringement;

D. An award to plaintiff of pre-judgment and post-judgment interest on its damages;

E. A declaration that this case is exceptional pursuant to 35 U.S.C. § 285, and awarding a judgment and order requiring defendant to pay the costs of this action (including all disbursements) as well as plaintiff's attorneys' fees; and

F. Such other further relief in law or equity to which plaintiff may be justly entitled.

DEMAND FOR JURY TRIAL

38. Pursuant to Rule 38 of the Federal Rules of Civil Procedure, plaintiff hereby demands a trial by jury as to all issues so triable.

Dated: May 15, 2017

Respectfully submitted,

/s/ James D. Taylor, Jr.

James D. Taylor, Jr. (#4009)
Allison J. McCowan (#5931)
SAUL EWING LLP
1201 N. Market Street, Suite 2300
Wilmington, DE 19899
Telephone: (302) 421-6800
Facsimile: (302) 421-6813
Email: jtaylor@saul.com
Email: amccowan@saul.com

Michael J. Lennon (*pro hac vice* pending)
Sheila Mortazavi (*pro hac vice* pending)
ANDREWS KURTH KENYON LLP
One Broadway
New York, NY 10004-1007
Telephone: (212) 425-7200
Facsimile: (212) 425-5288
Email: mlennon@kenyon.com
Email: smortazavi@kenyon.com

Attorneys for plaintiff
VIATECH TECHNOLOGIES, INC.